

VZCZCXRO2768

OO RUEHAG RUEHAST RUEHBI RUEHCI RUEHDBU RUEHDF RUEHIK RUEHLH RUEHLN
RUEHLZ RUEHNEH RUEHPW RUEHROV RUEHRS RUEHSL RUEHSR RUEHVK RUEHYG
DE RUEHAH #0769/01 1691228
ZNR UUUUU ZZH
O 181228Z JUN 09 ZDK
FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2997
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE
RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 5333
RUEHBJ/AMEMBASSY BEIJING 3061
RUEHKO/AMEMBASSY TOKYO 2926
RUEHIT/AMCONSUL ISTANBUL 3577
RHMCSUU/CDR USCENTCOM MACDILL AFB FL
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RUEKJCS/JOINT STAFF WASHDC
RHEHNSC/NSC WASHDC
RUEKJCS/SECDEF WASHDC
RUEHVEN/USMISSION USOSCE 3636

UNCLAS SECTION 01 OF 03 ASHGABAT 000769

SENSITIVE
SIPDIS

STATE FOR SCA/CEN

E.O. 12958: N/A

TAGS: [PGOV](#) [PREL](#) [ECON](#) [TX](#)

SUBJECT: TURKMENISTAN: AVAZA NATIONAL TOURIST ZONE OPENS

11. (SBU) SUMMARY: President Gurbanguly Berdimuhamedov officially opened the Avaza National Tourism Zone on June 15, accompanied by the government, the diplomatic corps, businessmen, and international journalists. "Avaza" consists currently of two hotels. Although plans are for an artificial river, an indoor ski resort, a race car track, an amusement park, fountains, and artificial islands, it is a long, long way from the Turkmen Las Vegas officials claim it will become. Between a projected \$1500/week price tag for hotel stays and Turkmenistan's restrictive visa regime, few foreign tourists may actually make their way to Avaza. Turkmen officials admit that foreign tourists, if they come, will likely only come once. On the bright side, the opening featured, a real press conference with international journalists, unprescreened questions, and reasonably professional answers, as well as a real pop concert, featuring international (FSU) stars, gyrating in the same skimpy outfits they would wear anywhere. END SUMMARY.

12. (SBU) On June 15, President Gurbanguly Berdimuhamedov officially opened the new facilities in the Avaza National Tourism Zone, located just north of Turkmenbashi. As per usual for presidential provincial travel, Berdimuhamedov was accompanied by high government officials, the diplomatic corps, and businessmen. In a break from the past, international journalists were also on this trip. In his speech, Berdimuhamedov said that Avaza is the first free economic zone in the country aimed at development of the tourism industry. He said that all investors, both local and foreign, are provided with significant tax breaks and customs privileges. Berdimuhamedov said that total cost of the facilities under construction already exceeded \$1.5 billion. During the next or second phase of development, another 10-15 world class sanatoria will be built as well as aqua parks, yacht and sports clubs, restaurants, camping areas attractions, and shopping centers. Construction has already started on a long artificial river that will transverse the resort as well as on a new airport terminal in Turkmenbashi. Berdimuhamedov asserted that new highways, gas turbine power stations, water purification facilities, and water pipes are also under construction and Turkmenbashi seaport will be renovated. Berdimuhamedov said Avaza will become a Turkmen Las Vegas with numerous casinos and other entertainment centers.

TURKMEN LAS VEGAS?

13. (SBU) Although Berdimuhamedov bragged that Avaza will become like Las Vegas, there is little there now that hints it will ever really become a world-class, highly popular resort. The only buildings in Avaza are two hotels - the Watanchy (owned by the Ministry of Defense) and the Hazyna Hotel (owned by the Central Bank). The President only inaugurated one building in person - the Watanchy - and opened the Hazyna and the Charbak (in Turkmenbashi - owned by the Ministry of Water Management) - remotely by video conference. And while the Watanchy and Hazyna are nice hotels, there is little else. The Watanchy was particularly luxurious, replete with mineral bath and offices for medical specialists. However, one has to wonder if guests really want to go to Avaza to see a gynecologist or cardiologist. Nevertheless, the beach was dirty. It was not graded and the sea by the shore was full of seaweed. There was little to entice guests to lay on the beach or swim along the shore.

14. (SBU) And while the rooms in the hotels were nice, it was all a bit "Potemkin." Meals were provided to the government officials, diplomats, businessfolk, and journalists buffet style, so there was no opportunity to try out restaurant meals and check prices. There was a 24-hour open bar. The wait staff flew in Ashgabat with the guests and returned to the capital with them as well. As soon as the two-day official opening ended, the hotels shut down and the lights were turned off in Avaza.

ASHGABAT 00000769 002 OF 003

WHAT THE FUTURE HOLDS

15. (SBU) On June 15, Berdimuhamedov and his guests listened to a number of presentations by companies hoping to participate in phase two. These included the company hoping to build the race track, an indoor ski resort, an artificial island shaped like Turkmenistan, a 25-hectare amusement park, a series of sea fountains, a shopping center, sanatoria, an irrigation system, and more hotels. After the presentation (these projects were obviously vetted beforehand), Berdimuhamedov pronounced them good and signed the orders authorizing them. Afterward, the President was given the key to the city.

A REAL PRESS CONFERENCE

16. (SBU) One interesting development during the tourist zone opening ceremonies was that Turkmen officials held a very real press conference. Approximately 40 foreign journalists were present, including representatives from Associated Press. There were no pre-screened questions. Deputy Foreign Minister Komekov, and representatives from the Ministry of Nature Protection, Oil and Gas Ministry, and Migration Service took questions on environmental impact statements, visas, Turkmenistan's economic potential, the feasibility of the Avaza project, cost of a tourist package (\$1500/week!), the budget for ads to attract tourists, and the number of tourists they expect to attract.

17. (SBU) The most interesting question was from a journalist from the Russian newspaper Kommersant. She noted the importance of the oil and gas sector and how revenue from that sector is used to fund the Avaza project. She then asked for the state of negotiations with Gazprom, whose Chairman of the Board of Governor's, Aleksey Miller was visiting, and what this meant for relations with Russia. The official from the Ministry of Oil and Gas gave a very skilled non-answer. The official from Migration Service, however, was a bit flustered and was obviously not used to answering real questions. When a visitor from Austria asked how Turkmenistan hoped to attract Austrian tourists when the visa regime was so difficult. The Migration Service official said the law was the same for everyone, and there was no special visa regime for different countries.

AND A REAL CONCERT

18. (SBU) Two official concerts were held to commemorate the opening. The President attended the one on the first night. In addition to local artists, there were also a number of pop singers that are famous throughout the FSU, including Russia's Philip Kirkorov and Zara, Ukraine's Ani Lorak, and Uzbekistan's Firusa Jumaniyazova. The more interesting of the two concerts took place the second night. Although it was held in the concert hall in Turkmenbashi under official auspices, with several Deputy Chairmen and ministers in attendance, it was more like a concert you would see elsewhere in the world. The artists gyrated in skimpy costumes. They tried to involve audience participation, attempting to get the audience to sing along with them. The audience members clapped wildly for the foreign performers (all of whom noted this was their first time in Turkmenistan). Large numbers of those present, especially young people, waved their hands in the air or got up and danced at their seats. The sense of freedom and enjoyment was palpable. This was all a first for Turkmenistan. And even more groundbreaking, the concert was later broadcast on national television.

19. (SBU) COMMENT: Avaza is a long way from being a tourist mecca and may never be one. It is unlikely it will ever be able to compete with Turkey or even Sochi. Officials admit that it is likely that only local tourists will come the first few years. And, later, when there is more of an international clientele, foreign tourists will only come once. The \$1500/week price tag will scare off many potential

ASHGABAT 00000769 003 OF 003

visitors, and the restrictive visa regime will keep others out. (The Turkmen have apparently given up the idea of a special visa zone for Avaza, realizing that anyone coming all the way to Turkmenistan will want to see Merv and other ancient sites.)

110. (SBU) COMMENT CONTINUED: As already noted, the attempts at press freedom and cultural freedom were the most interesting developments of the opening. Hopefully, after seeing that the international press does not bite and more open press conferences do not result in embarrassment, they will try it again. And we can also hope that they will expand cultural freedom. The artists who performed in Avaza and Turkmenbashi are the same ones that people watch nightly on Russian MTV or other Russian television channels. So, there was nothing new for the audience, except the pleasure of having these stars perform live. END COMMENT.
MILES